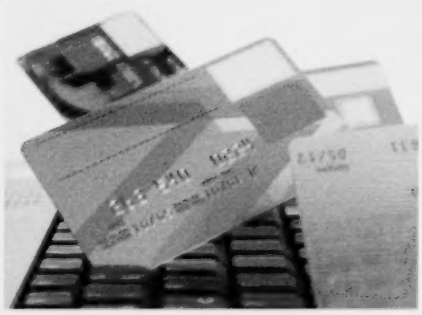
Office of the Privacy Commissioner of Canada

2011-12

Departmental Performance Report

Original signed by

The Honourable Robert D. Nicholson, P.C., Q.C., M.P.
Minister of Justice and Attorney General of Canada



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Message from the Privacy Commissioner of Canada

I am pleased to present the *Departmental Performance Report* of the Office of the Privacy Commissioner of Canada (OPC) for the fiscal year ending March 31, 2012.

Canadians are passionate and concerned about their privacy. They turn to us to assert their rights, while businesses and governments seek guidance on their responsibilities in a rapidly changing privacy environment. Over the past year, our Office took important actions to address the growing number of privacy issues rooted in technology, deal more effectively with an increasing workload, and prepare for new duties. We created a Technology Analysis Branch that provides invaluable expertise for audits and investigations where technology is a major component. Meanwhile, our early resolution approach met complainant concerns while yielding significant reductions in complaint processing time. The OPC also devoted considerable effort to prepare along with other federal government partners for the coming into force of Canada's anti-spam law.

Again this past year, our privacy investigation and audit work drew important lessons for Canadians along with public and private sector organizations. The Office reported on an investigation into a complaint against Nexopia, a youth-oriented social networking site we found to have privacy flaws ranging from a lack of meaningful consent to an indefinite retention of personal information. Our audit of Staples Business Depot found significant shortfalls in the deletion of personal information from devices offered for resale. Within the public sector, our audit of the Canadian Air Transport Security Authority (CATSA) discovered that information unrelated to aviation security was unduly collected.

Seeking to proactively protect privacy, our Office continued providing policy guidance to the federal government. To help forestall the possible erosion of our free, open society, we offered the Minister of Public Safety advice in an open letter about previously proposed lawful access legislation. We also provided a detailed submission to the Beyond the Border Working Group to shed light on privacy issues as the federal government negotiated a perimeter security agreement with the United States.

Our Office continued to develop guidance for the private sector which helps increase public awareness. This year, guidance was prepared and shared on issues such as online behavioural advertising, cloud computing and Web-based tracking software such as cookies. We also released a lawyer's handbook for PIPEDA, while our Contributions Program supported research and public education initiatives to examine and illuminate new ideas and insights on privacy issues.

Our Office conducts public outreach, dedicating some of our most important efforts at reaching youth through a variety of means including our blog, and a privacy presentation package designed to help educators and others talk to young Canadians about the new privacy challenges posed by the online world. To better hear and respond to Canadians, our renewed Information Centre fielded enquiries and provided facts and guidance to the public while providing the Office with direct insight from citizens about emerging needs or concerns.

Throughout the year, we also made changes within our organization to adjust to the context of new fiscal realities. These included a sharpened focus on using new technology as well as talent and knowledge management. I am confident that these changes will help us maximize resources and enable us to continue meeting Canadians' needs at a time when interest in privacy has never been higher.

Original signed by

Jennifer Stoddart
Privacy Commissioner of Canada

Section I: Organizational Overview

Raison d'être

The mandate of the Office of the Privacy Commissioner of Canada is to oversee compliance with both the *Privacy Act*, which covers the personal information-handling practices of federal government departments and agencies, and the *Personal Information Protection and Electronic Documents Act* (PIPEDA), Canada's private-sector privacy law. The mission of the Office is to protect and promote the privacy rights of individuals[1].

Responsibilities

As an agent of Parliament, the Privacy Commissioner of Canada reports directly to the House of Commons and the Senate. The Commissioner is an advocate for the privacy rights of Canadians with the power to:

- Investigate complaints, conduct audits and pursue court action under the *Privacy Act* and PIPEDA;
- Publicly report on the personal information-handling practices of public- and private-sector organizations;
- Support, undertake and publish research into privacy issues; and
- Promote public awareness and understanding of privacy issues.

The Commissioner works independently of the government to investigate complaints from individuals with respect to the federal public sector and private sector organizations subject to PIPEDA. While the focus is on mediation and conciliation, the Commissioner has the power to summon witnesses, administer oaths, and compel the production of evidence, if voluntary co-operation does not result. The Commissioner may also apply to the Federal Court for a hearing with respect to some matters if they are not resolved on a cooperative basis.

Strategic Outcome and Program Activity Architecture (PAA)

In line with its mandate, the OPC pursues the protection of the privacy rights of individuals as its Strategic Outcome. To that end, the Office's program activity architecture is composed of three operational activities and one management activity. The PAA diagram below presents information at the program activity level:

<table>
<tr><td>Strategic Outcome</td><td colspan="3">The privacy rights of individuals are protected.</td></tr>
<tr><td rowspan="2">Program Activity</td><td>1. Compliance Activities</td><td>2. Research and Policy Development</td><td>3. Public Outreach</td></tr>
<tr><td colspan="3">4. Internal Services</td></tr>
</table>

Organizational Priorities

In 2011–12, the OPC had four organizational priorities. The following table presents a summary of the progress made during the reporting period toward achieving each priority. More detailed performance information about accomplishments is provided in Section II – Analysis of Program Activities by Strategic Outcome.

[1] Reference is made to "individuals" in accordance with the legislation.

Summary of Progress Against Priorities

Priority	Type[2]	Strategic Outcome and/or Program Activities
1. Identify, adopt, and deliver on new service delivery models to maximize results for Canadians.	Previously committed to	This priority is linked to the OPC's single Strategic Outcome: The privacy rights of individuals are protected.
The OPC consolidated fundamental changes to its processes and systems during 2011–12, all with the intent of providing the best possible service to Canadians. Some changes are complete and others will continue in the next fiscal year: through a re-organization, the Information Centre was integrated into the Communications Branch of the OPC and enhanced with a new information management system for information requests and responses; a telephone system designed for the Centre; and targeted privacy training for information officers. The launch of an online complaint form, originally planned for 2011–12, is set to be introduced midway through 2012-13. New intake units were created to process complaints more efficiently, the use of early resolution approaches increased significantly, and some PIPEDA complaints are now handled out of the Toronto Office. An investigations modernization project was launched to simplify the procedure for formal complaints by using a proportionate approach to resolving complaints. The first phase of the complaints resolution process and case management system redesign project was delivered on time at year-end. The scope of the system redesign project was broadened to take advantage of the concurrent investigation modernization work, thereby further aligning system functionality with reengineered business processes. The completion date of the system redesign project was rescheduled from 2011–12 to 2012–13. In anticipation of Canada's anti-spam law coming into force, the Office initiated the development of a decision-making framework for investigations under that legislation. The framework will be revised as necessary as the relevant regulations are enacted. Information on anti-spam and online privacy was included on the OPC website, in speeches, and in various other formats, including response guides for information officers. Collaborative efforts between the OPC, Industry Canada, the Canadian Radio-television and Telecommunications Commission and the Competition Bureau continued throughout the year to coordinate policy development, communications, operational implementation and enforcement of the law when it comes into force. The multi-party coordination group meets regularly to share information and advance preparatory work, new staff were recruited and trained within the OPC, and a joint performance measurement strategy was defined to monitor progress with the new law once implemented. In addition, amendments to PIPEDA, which allow for enhanced discretionary decision-making including the power to decline to investigate a complaint that could more appropriately be dealt with through other avenues have been successfully integrated into OPC procedures.		
2. Provide leadership to advance the four priority privacy issues (information technology, public safety, identity integrity and protection, and genetic information).	Ongoing	This priority is linked to the OPC's single Strategic Outcome: The privacy rights of individuals are protected.

[2] Type is defined as follows: **previous** – committed to in one of the past two Reports on Plans and Priorities (RPP) that correspond to this DPR; **ongoing** – committed to at least three fiscal years prior to the RPP that corresponds to this DPR; and **new** – newly committed to in the RPP that corresponds to this DPR.

Priority	Type[2]	Strategic Outcome and/or Program Activities
In 2011–12, the Office further enhanced its capacity on the four priority privacy issues through the work of the cross-functional working groups, one dedicated to each priority issue. The working groups built and shared knowledge across the Office and also translated knowledge into relevant outcomes for Canadians. The priority privacy issues continue to be integrated into all of the OPC activities. Information Technology: The OPC utilized its new technology laboratory to verify behavior of systems, devices and websites in support of investigations. The knowledge gained through analysis performed in the laboratory contributed to the development of fact sheets and guidelines issued to Canadians. Public Safety: An open letter was sent to the Minister of Public Safety outlining important considerations ahead of the reintroduction of lawful access legislation. Priority was given, again this year, to the review of public safety-related Privacy Impact Assessment (PIA) files (for example, the Canada Revenue Agency Charities Directorate, the Canada Border Security Agency Nexus program, the Citizenship and Immigration Canada High Value Data Sharing Protocol, the RCMP Video Surveillance of Parliament Hill). The Office prepared and released information on cybersecurity and developed a joint Federal/Provincial/Territorial statement on border perimeter security. Identity Integrity and Protection: The Office issued its final report on its 2010 Consultations on Online Tracking, Profiling and Targeting, and Cloud Computing. The OPC used the significant knowledge gained through the public consultations to create a number of publications and guidelines for stakeholders, namely marketing and industry associations, on online behavioural advertising, cookies, and cloud computing. The OPC also provided a submission to the Task Force for the Payment Systems Review on the transformation of the Canadian payments system and the importance of the role of personal information to support innovation and adoption. Genetic Information: The OPC is continuing its research on the use of genetic information for insurance purposes. As part of this work, the Office commissioned two papers exploring the privacy considerations related to this issue. The Office also commissioned research that compared the use of DNA for forensic purposes in Canada with a selection of foreign jurisdictions.		
3. Support Canadians, organizations and institutions to make informed privacy decisions, both nationally and internationally.	Ongoing	This priority is linked to the OPC's single Strategic Outcome: The privacy rights of individuals are protected.
The OPC website was significantly enhanced in 2011–12, with a specific focus on improving its search capacity and implementing the federal standard on Web accessibility. Educational materials were developed for, and communicated this year to, a variety of audiences including parents, youth, teachers, public servants and the legal community. The Office signed a memorandum of understanding with two international counterparts (Netherlands and Ireland) and coordinated investigative efforts through information sharing with international counterparts. The OPC received officials on fact-finding missions from foreign data protection authorities and hosted a meeting in Ottawa with various data-protection officers to discuss the growing privacy implications of facial recognition. It also sent officials to attend or speak at significant international privacy conferences and workshops. At the 2011 International Data Protection and Privacy Commissioners Conference, the OPC introduced, along with the United Kingdom Information Commissioner's Office, a resolution for greater enforcement cooperation and agreed to meet in 2012–13 in Montreal to discuss ways to work together on enforcement issues. Additionally, the Commissioner is the chair of an Organisation for Economic Co-operation and Development (OECD) multi-stakeholder volunteer group that is providing advice concerning the OECD's review of its influential *Guidelines Governing the Protection of Privacy and Transborder Flows of Personal Data*.		
4. Enhance and sustain organizational capacity.	Ongoing	This priority is linked to Program Activity Internal Services.

Priority	Type[2]	Strategic Outcome and/or Program Activities
In 2011–12, the OPC implemented a talent management program to ensure that it has the specialized knowledge and competencies required for achieving its mandate now and in the future. The program includes activities relating to recruitment, training, retention and succession planning. The OPC continually encourages cross-branch partnerships to foster a more holistic understanding of privacy issues. Teamwork between branches has provided more opportunities for knowledge and information sharing. This, in turn, makes OPC service delivery and product development even more integrated and comprehensive. The OPC developed a new enterprise-wide Electronic Document Records Management System (EDRMS) to replace its aging Records, Document and Information Management System (RDIMS) technology. The new system supports team collaboration, sharing of information and knowledge transfer throughout the Office. The OPC developed and approved a change management strategy and toolkit. The strategy seeks to strengthen the Office's capacity to manage and lead change, and to attain the level of readiness necessary to enable the successful delivery of change initiatives. The strategy was promulgated to staff in 2011–12 but implementation will only be complete once the principles start being applied, in a concrete way, to all initiatives involving significant change. In the OPC's 2012–13 branch business plans, each branch head identified a tangible project to which the new change management approach will be applied.		

The OPC met most of the commitments it had made to advance its four organizational priorities in 2011–12. Work will continue during 2012–13 to modernize the *Privacy Act* investigation process since this project was delayed for staffing reasons. The timeframe of the case management system redesign was extended into 2012–13 to allow time to enhance system functionality with the reengineered, modernized business process. Change management practices will be enhanced as branches apply the new principles to tangible projects in 2012–13.

Risk Analysis

External Factors

Various trends have significant privacy implications and pose important challenges to the work of this Office, including: mobile applications, cloud computing, facial recognition, online behavioural advertising, social networking, government analytics, unique citizen credentials as well as national security and public safety related initiatives.

In this emerging environment, determining what constitutes personal information requires a more complex and nuanced analysis than was previously necessary. The increasing monetary value in unidentified, aggregate data challenges traditional concepts of identification and reasonable expectation of privacy. The capacity of advertisers and website operators to collect, store and aggregate data once considered benign and anonymous (such as individuals' search terms and online behavioural patterns) at minimal cost is challenging traditional concepts of what constitutes personal information and what is or is not identifiable.

The number of very young children online keeps increasing while youths continue integrating social media into their lives as the new and preferred way of communicating among themselves, presenting themselves to others, and indeed exploring, defining and experimenting with their own identities. This raises the need for effective public education and outreach so that they and their parents understand the full implications and make informed choices in this new digital world.

Privacy implications are sometimes overlooked by private-sector entities under competitive pressure to rapidly adopt innovations and bring them to market, thereby increasing the risk of data breach and a game of "catch up" after the fact to build in the features needed to protect personal information. Data protection authorities such as the OPC require highly specialized capacity and expertise to understand and evaluate the societal changes posed by the complexity and interconnectivity of information systems, the proliferation of personal mobile devices and the new Web 3.0.

Meanwhile, the current global economic environment creates financial pressures to cut back on organizational spending within both the public and private sectors, including investments in privacy protection. In Canada, the emphasis on effective and efficient delivery of mandates by public sector organizations within existing or reduced financial envelopes poses additional challenges. At the same time, government is also collecting more and more information on its citizens to improve service experiences, as well as for public safety and national security purposes.

On the broader front, national security and public safety concerns continue to challenge the thinking with respect to what information is, or should be considered, 'personal information'. E-Government initiatives, once but a line-item in future plans and budgets, are actively being put into place and must be assessed in terms of data breach risks and increased citizen monitoring. The increasing involvement of the private sector in assisting governments with law enforcement efforts requires an ongoing evaluation of Canadians' social contract regarding the reasonable expectation of privacy. Increasing globalization and transborder data flows continue to challenge the jurisdictional limits of single data protection authorities and require new mechanisms for sharing information between organizations and coordinating enforcement efforts world-wide in order to more effectively address privacy issues of increasingly international proportions.

Key Business Risks

Five areas were identified as key risks in the *2011–12 Report on Plans and Priorities*, one of which was subsequently eliminated when the Government of Canada repealed the *Directive on the Management of Expenditures on Travel, Hospitality and Conferences*. The other four risks have been managed to mitigate their possible effects on the OPC. Two of these risks pertained to the OPC's organizational capacity - in particular the capacity to adapt to change and to respond to complaints and enquiries within enhanced service standards. The former was mitigated by closely tracking performance against new service standards using the Office's monthly scorecard. The latter has begun to be mitigated by implementing a change management strategy (for example, the investigation modernization project is currently testing the strategy and using the toolkit to manage change) and by updating the Office's Integrated Business and Human Resources Plan with a focus on organizational effectiveness.

The third risk the Office managed in 2011–12 pertained to information management in support of decision-making. A multi-pronged approach was used to mitigate this risk which included:

1. Updating the OPC IM/IT strategy;
2. Reviewing and better aligning information to the Office's performance measurement framework;
3. Fully implementing the recommendations of the Office's internal audit of information management;
4. Addressing many of the recommendations identified in the internal audits on the utilization of information for decision-making and on responding to enquiries.

The fourth identified risk pertained to the anticipated implementation of Canada's anti-spam law. While it did not come into force in 2011–12, the Office nonetheless developed a strategic implementation plan, invested internally in training and capacity building and worked closely with its enforcement partners to prepare for meeting its new responsibilities under the law.

Summary of Performance

2011–12 Financial Resources ($000)

Planned Spending	Total Authorities	Actual Spending
24,659	26,878	26,143

The increase between Planned Spending and Total Authorities during 2011–12 represents funding received to deal with the new investigative workload resulting from the passage of Canada's anti-spam legislation (For more details, please refer to the Expenditure Profile section of this Report).

2011–12 Human Resources (FTEs*)

Planned	Actual	Difference
178	161	(17)

* Full-time Equivalents

As of March 31, 2012, the Office had 161employees. The variance of 17 full-time equivalents is attributed in part to the delayed staffing of vacant positions and to normal staff turnover.

Summary of Performance Tables

Progress Toward Strategic Outcome

Strategic Outcome: The privacy rights of individuals are protected. ***Ultimate Outcome for Canadians***: The OPC plays a lead role in influencing federal government institutions and private-sector organizations to respect the privacy rights of individuals and protect their personal information.		
Performance Indicator	**Target**	**2011–12 Performance**
Extent and direction of change in the privacy practices of federal government institutions and private-sector organizations	3 on a scale of 1 to 5 (3 represents "some preparatory steps to progress toward positive change" from the baseline of 2010–11 may be observed by March 31, 2012)	3

Performance Summary, Excluding Internal Services

Program Activity	2010–11 Actual Spending	2011–12 ($000)				Alignment with Government of Canada Outcomes
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	
Compliance Activities	9,938	10,391	10,391	12,633	11,572	The Privacy Commissioner is independent from government and reports directly to Parliament. Therefore, it is not required to report against the Government of Canada Outcomes. The three Program Activities all align to the OPC's Strategic Outcome of ensuring that the privacy rights of individuals are protected.
Research and Policy Development	3,320	5,206	5,206	4,032	3,931	
Public Outreach	3,283	3,976	3,976	3,225	2,985	
Total (excluding Internal Services)	**16,541**	**19,573**	**19,573**	**19,890**	**18,488**	

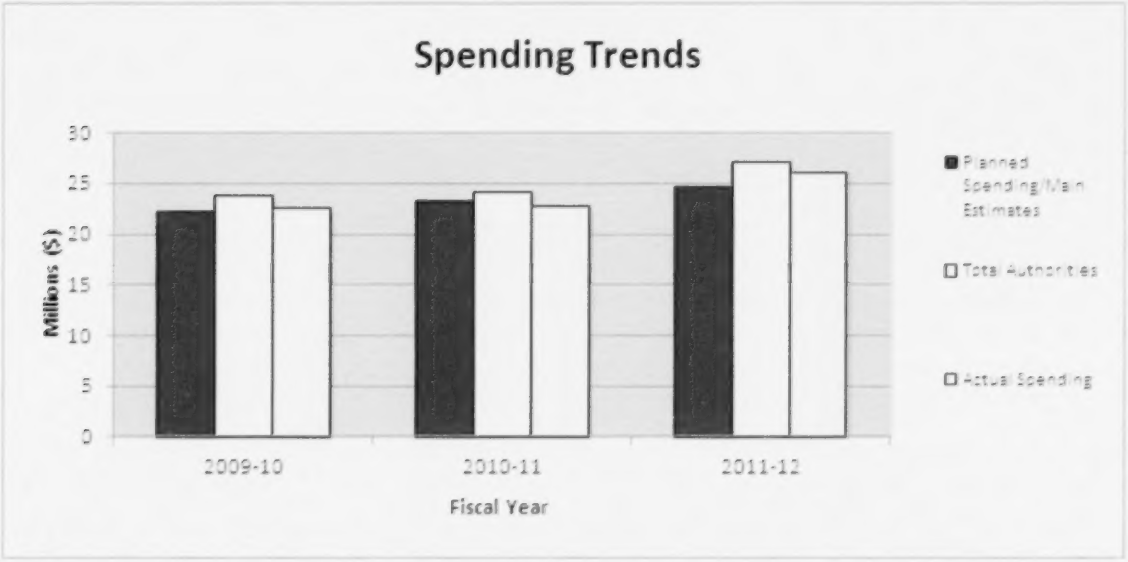
Performance Summary for Internal Services

Program Activity	2010–11 Actual Spending	2011–12 ($000)			
		Main Estimates	Planned Spending	Total Authorities	Actual Spending
Internal Services	6,383	5,086	5,086	6,988	7,655

Note: Numbers exclude services provided without charge by other government departments, and totals may differ between and within tables due to the rounding of figures.

Expenditure Profile

The OPC Main Estimates and Planned Spending amounts (presented as a single figure since there is no significant difference between the amounts) increased by $0.9M from 2009–10 to 2010–11 and by $1.3M from 2010–11 to 2011–12. The increased funds were earmarked to deal with the new investigative workload resulting from the passage of Canada's anti-spam law. In 2011–12, the adjustment to the Planned Spending was attributed to the increased funding for the anti-spam legislation as well as for the reimbursement of eligible pay list expenditures.



Total authorities available between 2010–11 and 2011–12 have increased by $2.2M from $22.390M to $24.659M. This net increase is a combination of increases in Vote 45 - Program expenditures ($2.0M) and in budgetary statutory authorities ($0.2M) from funding received following the Royal Assent of Canada's anti-spam law in December 2010. This increased funding is reflected mostly in personnel expenditures as well as for professional and special services.

Estimates by Vote

For information on the OPC votes and statutory expenditures, refer to the 2011–12 Public Accounts of Canada (Volume II) available at http://www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html.

Section II: Analysis of Program Activities by Strategic Outcome

Strategic Outcome

Strategic Outcome: The privacy rights of individuals are protected. ***Ultimate Outcome for Canadians***: The OPC plays a lead role in influencing federal government institutions and private-sector organizations to respect the privacy rights of individuals and protect their personal information.		
Performance Indicator	**Target**	**Actual Results**
Extent and direction of change in the privacy practices of federal government institutions and private-sector organizations	3 on a scale of 1 to 5 (3 represents "some preparatory steps to progress toward positive change" from the baseline of 2010–11 may be observed by March 31, 2012)	3

This performance indicator is an umbrella indicator in that it is based on performance information generated from six performance indicators that measure the OPC Program Activities 1, 2 and 3. Since two of the six indicators that feed the umbrella indicator have changed between the baseline year and this first reporting year, the OPC considers the actual result of "3" on a scale of 1 to 5 to be an early indication of performance.

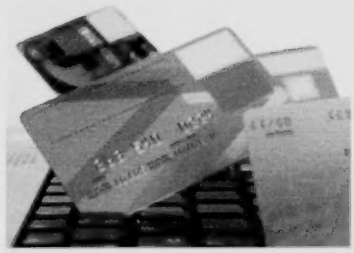
Section II of this Report is organized by Program Activity. Specifically, the sub-sections that follow:

- Describe what is involved in the Program Activity (as per the 2011–12 Main Estimates Part II);
- Report on planned versus actual financial and human resources use in 2011–12;
- Present a summary of the OPC actual performance in relation to expected results and performance indicators and targets; and
- Provide an overall analysis of the OPC's performance in 2011–12 and discuss lessons learned from the past year's performance.

Program Activity 1: Compliance Activities

Activity Description

The OPC is responsible for investigating privacy-related complaints and responding to enquiries from individuals and organizations. Through audits and reviews, the OPC also assesses how well organizations are complying with requirements set out in the two federal privacy laws, and provides recommendations on PIAs, pursuant to Treasury Board Secretariat directive. This activity is supported by a legal team that provides specialized advice and litigation support, and a research team with senior technical and risk-assessment support.



2011–12 Financial Resources ($000)

Planned Spending	Total Authorities	Actual Spending
10,391	12,633	11,572

The actual spending includes reallocations between activities to better reflect Program activity spending.

2011–12 Human Resources (FTEs)

Planned	Actual	Difference
89	73	(16)

Program Activity Performance Summary

Expected Results	Performance Indicators	Targets	Actual Results
Intermediate Outcome			
Federal government institutions and private-sector organizations meet their obligations under federal privacy legislation and implement modern practices of personal information protection.	Extent to which investigation and audit recommendations are accepted and implemented over time	**90 percent** of "well-founded", "resolved" and "well-founded and resolved" investigation recommendations are accepted and implemented within one year of reporting	Investigations under the PIPEDA: by the end of 2011–12, **81 percent** of investigation recommendations issued in 2010–11 had been accepted, and **81 percent** had been implemented, within one year of issuing a Report of Findings. Investigations under the Privacy Act: by the end of 2011–12, **69 percent** of investigation recommendations issued in 2011–12 had been accepted, and **46 percent** had been implemented, within one year of issuing a Report of Findings.
		90 percent of audit recommendations are accepted fully by entities Upon follow-up two years after the initial audit report, action to implement has begun on **90 percent** of recommendations	A total of 28 recommendations were included in the three audits[3] that were made public in 2011–12 and 27 (**96 percent**) were accepted by the audit entities at the time of reporting. In 2011–12, the OPC followed up on two audits that were conducted in 2009–2010 to determine how many of the recommendations made had been implemented. Action was reported to have begun on all recommendations (**100 percent**).
	Extent to which obligations are met through litigation	Legal obligations are met in **80 percent** of cases, either through settlements to the satisfaction of the Commissioner or court-enforced judgments	During 2011–12, the OPC was involved in five litigation cases related to PIPEDA and two related to the *Privacy Act* in order to promote compliance with federal privacy legislation. In all cases (**100 percent**), concerns raised by the OPC were addressed or are being addressed at the time of writing.

[3] Audit reports made public in 2011–12 were:

- Privacy and Aviation Security: An Examination of the Canadian Air Transport Security Authority, November 17, 2011;
- Audit of Selected RCMP Operational Databases, November 17, 2011; and
- Audit of Staples Business Depot, June 21, 2011.

The Office also followed-up on the audits of the Passenger Protect Program and the Federal Annual Privacy Reports from 2009-2010, and is in the process of completing the follow-up to the 2009 audit of FINTRAC, the Financial Transactions and Reports Analysis Centre of Canada, to be made public in 2012–13.

Expected Results	Performance Indicators	Targets	Actual Results
Immediate Outcomes			
Individuals receive timely and effective responses to their enquiries and complaints.	Timeliness of OPC responses to enquiries[4] and complaints[5]	**95 percent** of complaints are closed within 12 months of acceptance[6]	Complaints under PIPEDA: 236 complaints were closed in 2011, **81 percent** within 12 months of acceptance. The average complaint response time decreased from 15.6 months in 2010 to 8.2 months in 2011. Complaints under the *Privacy Act*: 913 complaints were closed in 2011–12, **90 percent** within 12 months of acceptance. The average complaint response time decreased from 7.2 months in 2010–11 to 5.7 months in 2011–12 (during the same time frame as the volume of new complaints received increased by close to 25 percent).
The privacy practices of federal government institutions (including PIAs for new and existing government initiatives) and private-sector organizations are audited and/or reviewed to determine their compliance with federal privacy legislation and policies.	Proportion of audits and PIA reviews completed within planned times	**90 percent** of audits are completed within planned times **70 percent** of PIA reviews are completed within 120 days of receipt	Five audits and follow-ups to audits[7] were approved and published in 2011–12, compared to six in the approved plan (i.e., **83 percent**). A decision was made to undertake a comprehensive follow-up to the 2009 audit of FINTRAC which will be completed in 2012–13. Only **26 percent** of PIA reviews were responded to within 120 days of receipt, either with a letter of recommendations or a low-priority letter.
	Feedback and action from federal government departments in response to OPC advice relating to PIAs	**75 percent** of institutions that submitted a PIA during the year were responsive to the OPC advice	During 2011–12, the OPC sent 31 letters of recommendation for initiatives that involved privacy risks judged to be particularly intrusive. By March 31, 2012 the OPC had received responses from 24 institutions, indicating a response rate of **77 percent**. Not all federal departments may have had the time to respond by end of the fiscal year. The Office is following up with institutions that have not yet responded.

Performance Summary and Analysis of Program Activity 1

Though the number of investigation recommendations that were implemented within one year of reporting was lower than the established target, in most cases the Office sought to have the outstanding recommendations enforced by the Federal Court. Four cases were settled or otherwise resolved before litigation; one case was near settlement at the time of writing, and two are still before the courts. In 2011–12, the Office made considerable progress against its timeliness target: it responded to PIPEDA

[4] A new target to measure the timeliness of enquiries (or requests for information) has been included in the 2012–13 *Report on Plans and Priorities*.

[5] The information relating to PIPEDA files is for the calendar year (from January to December 2011) while the data for *Privacy Act* files is for the fiscal year (from April 2011 to March 2012).

[6] In the 2011–12 *Report on Plans and Priorities*, this same target was counting the 12-month period from the time of "receipt" of a complaint by the OPC; a legal opinion has since clarified that the 12-month legislative standard for PIPEDA begins when the OPC receives enough information to make a complaint complete and clear enough to investigate – the "complaint acceptance" date.

[7] Refer to footnote 4.

complaints in almost half the time reported in the previous year, and it reduced the response time for *Privacy Act* complaints by 20 percent.
The 120-day target for the review of PIAs was difficult to achieve and will be revisited, along with the processing of PIAs, given the result of the internal audit of this function in 2011–12. The low performance against the target this year was due to unforeseen staffing pressures that required PIA managers to act in other management capacities periodically during the fiscal year.

New service-delivery models have been studied and some have already been implemented to respond more effectively to complaints:

- The Office launched an investigations modernization project that aims to simplify investigative procedures and reduce the time required to investigate formal complaints by developing a proportionate approach to resolving complaints (the initial focus is on *Privacy Act* complaints);
- Investigators now communicate with respondents in a more direct manner, through site visits or early, phone-based communications to clarify issues before deciding to launch an investigation, as appropriate. This increased emphasis on early resolution approaches in 2011–12 was used successfully: in 46 percent of PIPEDA complaints (up from 37 percent last year), and in 23 percent of *Privacy Act* complaints (up from 14 percent last year).
- The OPC has successfully integrated its Toronto office into all core aspects of the organization's business to ensure a consistent, seamless approach to service delivery, including putting in place operational policies and procedures for compliance and outreach activities. Some staffing processes are still underway and expected to be complete in 2012–13.
- An online complaint form has been developed to facilitate the submission of complaints. Significant work has been accomplished in 2011–12. The launch of the form will take place midway through 2012-13.

The OPC adopted and communicated service standards[8] for responding to enquiries and complaints (for PIPEDA complaints, the 12-month standard is a legislative requirement). Performance against these standards, as well as interim measures of complaint handling progress, is tracked and reported through the internal monthly scorecard. Processes for quality control of written responses were implemented.

Work is well underway to complete the case management system redesign in 2012–13, as per the project's approved extension. The goal is to adapt the system to the business process changes attributable to reorganization and streamlining of processes, in order to manage and document investigations in the system to improve data quality and generate strategic information for decision-making. In 2011–12, the functional specifications of the redesigned system were completely defined and new data fields were integrated. Once this work is complete, trend analysis and reporting tools will be adjusted for the system to produce the expected strategic information.

Lessons Learned

Changes to the operational structure and complaint handling processes in 2011–12 resulted in significant reductions in overall average complaint processing time. However, more targeted strategies may be needed to address the cases that are still taking longer than 12 months to respond to, based on focused analysis of these cases.

Given the increasing demand for PIA reviews, the Office will be looking to further streamline their review during the coming year.

[8] OPC service standards are: (1) for enquiries received by telephone: 90% within one business day, received by paper mail/fax or email: 80% within five business days, in person: 90% immediately; and correspondence requiring Commissioner reply: within 15 business days); (2) for complaints: within 12 months from the date of acceptance.

Program Activity 2: Research and Policy Development

Activity Description

The OPC serves as a centre of expertise on emerging privacy issues in Canada and abroad by researching trends and technological developments, monitoring legislative and regulatory initiatives, providing legal, policy and technical analyses on key issues, and developing policy positions that advance the protection of privacy rights. An important part of the work involves supporting the Commissioner and senior officials in providing advice to Parliament on potential privacy implications of proposed legislation, government programs and private-sector initiatives.

2011–12 Financial Resources ($000)

Planned Spending	Total Authorities	Actual Spending
5,206	4,032	3,931

The actual spending includes reallocations between activities to better reflect Program activity spending.

2011–12 Human Resources (FTEs)

Planned	Actual	Difference
19	23	4

Program Activity Performance Summary

Note: Performance against the qualitative targets under Program Activity 2 is assessed qualitatively based on information in the table below; new quantitative targets are included in the 2012-13 *Report on Plans and Priorities*.

Expected Results	Performance Indicators	Targets	Actual Results
Intermediate Outcome			
Parliamentarians and key stakeholders have access to clear, relevant information, and timely and objective advice about the privacy implications of evolving legislation, regulations and policies.	OPC information and advice on selected policies and initiatives add value for stakeholders	The OPC views have added value for parliamentarians and key stakeholders	The OPC provided advice and information to parliamentarians and Canadians with respect to proposed legislation and participated in various domestic and international fora on a broad range of issues relating to identity protection on the Internet, facial recognition, youth privacy, biometrics, and accountability. The Office developed for parliamentarians two sets of information on social networking for their riding newsletters. The OPC responded to two consultation papers issued by Finance Canada on proposed changes to Canada's anti-money laundering and anti-terrorist financing (AML/ATF) legislative framework. The OPC submissions demonstrated the importance of taking privacy into account when considering possible changes to legislation, highlighting some privacy risks associated with the proposed changes. The submissions should assist the government in

Expected Results	Performance Indicators	Targets	Actual Results
			responding to the international Financial Action Task Force's recommendations on Money Laundering and Terrorist Financing. In addition, the Office responded to a consultation by the Task Force for the Payments Systems Review on the transformation of the Canadian payments system and the importance of the role of personal information to support innovation and adoption. The OPC submission (http://paymentsystemreview.ca/wp-content/uploads/OPC-Submission-to-the-Task-Force-For-the-Payments-System-Review.pdf) identified challenges associated with personal information in the digital age, security and safeguards, opportunities and risks associated with new technologies, the need for responsible digital identification frameworks, and risks of re-identification. As well, the submission demonstrated how PIPEDA can help facilitate the transformation of the Canadian payments system to support innovation and the digital economy.
Immediate Outcomes			
The work of parliamentarians is supported by an effective capacity to identify privacy issues, and to develop privacy-respectful policy positions for the federal public and private sectors.	OPC views on the privacy implications of relevant laws and regulations add value for parliamentarians	The OPC views have added value for parliamentarians and key stakeholders	In a context of reduced sittings in the House due to the election in 2011–12, the Office reviewed seven bills, provided four written submissions to parliamentary standing committees, and made the following five appearances before Parliament to provide views and advice on the privacy implications on new legislation, programs, and statutory reviews: • Senate Standing Committee on Legal and Constitutional Affairs on the statutory review of *An Act to amend the Criminal Code (Production of Records in Sexual Offence Proceedings);* • House of Commons Standing Committee on Public Safety and National Security on Bill C-19, *An Act to amend the Criminal Code and the Firearms Act;* • Senate Standing Committee on Legal and Constitutional Affairs on Bill C-10 – *The Safe Streets and Communities Act;* • House of Commons Standing Committee on Citizenship and Immigration on the study *Standing on Guard for Thee: Ensuring that Canada's Immigration System is Secure;* • Senate Standing Committee on Banking Trade and Commerce on the Review of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act.*

Expected Results	Performance Indicators	Targets	Actual Results
Knowledge about systemic privacy issues in Canada and abroad is enhanced through information exchange and research, with a view to advance privacy files of common interest with stakeholders, raise awareness, and improve privacy-management practices.	Stakeholders have had access to, and have considered, OPC research products and outreach materials in their decision-making	Initiatives under all four OPC priority privacy issues (100 percent) have involved relevant stakeholders and there is documented evidence demonstrating that stakeholders were influenced by OPC research products and outreach materials	The OPC conducted and/or commissioned research in support of its four privacy priority issues: information technology, public safety, identity integrity and protection, and genetic information. The Office also examined emerging privacy trends in areas such as youth privacy, cloud computing, facial recognition, online behavioural advertising, and genetic information use for insurance purposes and forensic DNA databases. The Office's Contributions Program allocated approximately $450,000 for projects in 2011–12. Again this year, the research initiatives focused on the Office's four privacy priority areas. Specific examples include: • An inquiry into the privacy expectations of online social network users; • A study of children and teenagers' Internet use in Canada; • A study of how contract private security firms subject to PIPEDA operate temporary re-deployable surveillance camera systems; • A study that reviewed Canada's gathering of intelligence via the private sector and how this interception capability fits within privacy law and rights under PIPEDA. Four public education projects were also funded through the Program in 2011–12, specifically: • A cross-media game to engage children in learning privacy skills; • An information kit for high school students; • Sign language video clips for deaf people informing them of the privacy rights; • Privacy education workshops for ethno-cultural Francophone communities in Toronto.

Performance Summary and Analysis of Program Activity 2

As a result of its policy and research activities in 2011–12, the Office was able to achieve greater strategic alignment with the privacy issues that most affect Canadians, including a changing national security and public safety landscape, and innovation on social networking platforms and mobile devices. Upgrades and improvements to the OPC laboratory implemented in 2011–12 increased the Office's capacity to analyze and test new technology and network developments. Policy guidance materials were developed and issued to key stakeholders, including youth and businesses. The policy and research work also informed the preparations for the upcoming second statutory review of PIPEDA.

The OPC adopted a new direction for its Contributions Program to leverage its impact through partnerships with other funding agencies and to enable increased knowledge translation and application. In 2011–12, the OPC formed two new partnerships with other federal funding agencies. The Office brought together, for the first time in the Program's history, external peer reviewers from academia to assist in the evaluation of the 2012–13 funding proposals. As part of the new direction, the OPC

developed a communications strategy to make potential applicants as well as the general public better aware of the Program's existence and benefits. An independent evaluation was commissioned to review the Program's performance, namely through a bibliometric study able to measure uptake and application of new knowledge generated by the Program. The OPC launched the Pathways to Privacy Research Symposium series, with the first event to be held in May 2012 in Ottawa entitled "Privacy for Everyone."

The Office broadened its international outlook by increasing cooperation and coordination efforts with international counterparts in 2011–12 (refer to Section I, Priority 3). This is in addition to the OPC continuing to participate in several international fora that have a mandate to promote privacy globally or among their members

:

- the Organisation for Economic Co-operation and Development (OECD) Working Party on Information Security and Privacy;
- the International Organization for Standardization (ISO);
- the Asia-Pacific Economic Cooperation (APEC) privacy framework and the Global Privacy Enforcement Network;
- the Commission for the Control of INTERPOL's files; and
- *l'Association francophone des autorités de protection des données personnelles* (AFAPDP).

The Assistant Commissioner attended the AFAPDP's first training seminar in Senegal. In her presentations, she discussed how privacy principles apply in various legal regimes and gave an overview of the historical importance of the OECD's and APEC's *Guidelines*.

Lessons Learned

With the proliferation of new technologies and its effects on privacy protection, it is critical for the OPC to stay ahead of the curve, which is why it created a new unit – the Technology Analysis Branch, as part of the 2011–12 reorganization. The branch actively supports OPC's research activities through identifying and analyzing technological trends and developments in electronic platforms and digital media.

Parliamentarians, businesses and individuals request and value advice and information from the OPC. The Office has seen that promoting privacy compliance, understanding and awareness requires relevant and timely research on emerging issues, and also the means to communicate it effectively. As such, the OPC developed a plan to better communicate research results to key stakeholders which will include inviting them to an event to promote privacy compliance awareness in 2012–13. In addition, the Office's information sessions for businesses were noted for their value-added outcomes. To further realize benefits from the sessions moving forward, the Office will leverage innovative technology solutions to connect with a greater number of individuals to promote an even richer dialogue.

Program Activity 3: Public Outreach

Activity Description

The OPC delivers public education and communications activities such as speaking engagements and special events, media relations, and the production and dissemination of promotional and educational material. Through public outreach activities, individuals have access to information that enables them to protect their personal information and exercise their privacy rights. The activities also allow organizations to understand their obligations under federal privacy legislation.

2011–12 Financial Resources ($000)

Planned Spending	Total Authorities	Actual Spending
3,976	3,225	2,985

The actual spending includes reallocations between activities to better reflect Program activity spending.

2011–12 Human Resources (FTEs)

Planned	Actual	Difference
24	18	(6)

Program Activity Performance Summary

Expected Results	Performance Indicators	Targets	Actual Results
Intermediate Outcome			
Federal government institutions and private-sector organizations understand their obligations under federal privacy legislations and individuals understand how to guard against threats to their personal information.	Privacy outcome for government initiatives or programs stemming from consultations or recommendations associated with the PIA process	In **70 percent** of the government initiatives or programs for which a high-priority PIA was reviewed and a recommendation was issued, the consultations with or recommendations from the OPC resulted in stronger privacy protections	During 2011–12, the OPC reviewed 31 PIAs for initiatives that involved a particularly high risk to privacy and sent letters of recommendation to add privacy protections to those initiatives. By March 31, 2012 the OPC had received 24 responses from federal institutions, of which 16 (**67 percent**) indicated that they would adopt additional privacy-protective measures or revisit their initiative. Not all federal departments may have had the time to respond by the end of the fiscal year. The Office continues to monitor initiatives that pose significant risks to privacy.

Expected Results	Performance Indicators	Targets	Actual Results
	Extent to which private-sector organizations understand their obligations under PIPEDA	**More than 50 percent** of private-sector organizations report having at least moderate awareness of their obligations under PIPEDA	The OPC conducts a poll of businesses biennially. In 2011–12, the OPC conducted a poll (http://www.priv.gc.ca/information/por-rop/2012/por_2012_01_e.pdf) in which 1,006 companies across Canada were asked to rate their company's awareness of responsibilities under Canada's privacy laws. In response, 19 percent of the businesses were extremely aware of their responsibilities, in addition to a further 35 percent who claimed high awareness. In total, a slight majority (**54 percent**) offered positive scores above the mid-point on the scale, indicating a relatively high level of familiarity with their privacy responsibilities. This is an improvement to the 2010–11 survey that showed 47 percent of businesses had a high degree of awareness of their obligations under PIPEDA.
Immediate Outcomes			

Expected Results	Performance Indicators	Targets	Actual Results
Individuals have relevant information about their privacy rights and are enabled to guard against threats to their personal information.	Reach of target audience with OPC public education and communications activities	**100 citations** of OPC officials in the media on selected communications initiatives per year **At least 100,000 visits per month** on the OPC website and 20,000 visits per month to the OPC blog **At least one news release per month** on a subject of particular interest to individuals **At least 350 subscribers** to the e-newsletter **At least 1,000 communication tools distributed per year** **Two public education initiatives per year**, designed for new individual target groups **Two public events** addressing needs of individual target groups	The Commissioner, Assistant Commissioner and other OPC officials were **quoted extensively** in the media in 2011–12, due to the sustained interest of the press in privacy issues, both in Canada and abroad. The OPC website and main blog maintained relatively constant traffic, with an average of **219,000 visitors per month**. The OPC issued **41 news releases (representing more than three per month**) in 2011–12. Releases of specific interest to individuals included, for example, public opinion poll results and the launch of youth privacy products. As of March 31, 2012, the OPC had **1,365 subscribers** (including individual and organizational subscribers) to its e-newsletter. Approximately **13,600 copies of publications** were distributed in 2011–12. The OPC was involved in **several public education initiatives** designed for individuals including: • two presentation packages (for grades 7 to 8 and 9 to 12) to help educators and parents discuss online privacy issues with young people along with a tip sheet for parents; • a video and a graphic novel for youth; and • a video contest for youth. **Public events** during 2011-12 included the OPC's Speakers Series that addressed issues such as surveillance and youth privacy and digital literacy. The Office also participated in other public events such as "Encounters with Canada" where young Canadians selected the winners of the OPC's video contest.

Expected Results	Performance Indicators	Targets	Actual Results
	Extent to which individuals know about the existence/role of the OPC, understand their privacy rights, and feel they have enough information about threats to privacy	**At least 20 percent** of Canadians have awareness of the OPC; **At least 20 percent** of Canadians have an "average" level of understanding of their privacy rights; **At least 35 percent** of Canadians have some awareness of the privacy threats posed by new technologies.	The OPC conducts its poll of Canadians biennially. In a Harris/Decima poll conducted on behalf of the OPC in 2011, involving 2,000 respondents from across Canada: http://www.priv.gc.ca/information/por-rop/2011/por_2011_01_e.asp • **31 percent** of respondents said they were aware of a federal institution that helps Canadians deal with privacy and the protection of personal information. Some could actually identify the Office by name; others not specifically. The 31 percent is relatively consistent with results from 2009 (33%). In years prior, surveys indicated this level of awareness was around 20 percent. • **30 percent** of respondents described their knowledge of their privacy rights under the law as good or very good, thus exceeding an "average" level of understanding of their privacy rights. Previous surveys indicated a relatively steady increase in the level of understanding: 28 percent in 2009, 19 percent in 2007, 26 percent in 2006, and 18 percent in 2005. • **43 percent** of respondents felt they understood how new technologies might affect their personal privacy. This result has declined over time: 47 percent in 2005, 51 percent in 2006 and 2007, and 45 percent in 2009.
Federal government institutions and private-sector organizations receive useful advice and guidance on privacy rights and obligations, contributing to better understanding and enhanced compliance.	Reach of organizations with OPC policy positions, promotional activities and promulgation of best practices	**At least 1,000 communication tools distributed per year** **At least one news release per month** on a subject of particular interest to organizations **Exhibiting at least four times** throughout the year **At least 350 subscribers** to the e-newsletter	*Note: This indicator relates to the reach to "organizations". The targets associated with this indicator, as published in the 2011–12 RPP, also serve to measure the reach to "individuals". Hence, the information presented earlier in this table to report on the reach to "individuals" is also relevant to report on the reach to "organizations". This is corrected in the 2012–13 RPP, where the OPC made its measures of reach to individuals and to organizations more distinct.* The Office exhibited at **48 events** in 2011–12, to increase organizations' understanding about privacy responsibilities under federal laws. Approximately **13,600 copies of publications** were distributed to organizations in 2011–12, including more than 10,000 calendars full of privacy tips and editorial cartoons illustrating a variety of privacy issues, as well as links to other

Expected Results	Performance Indicators	Targets	Actual Results
		Two public education initiatives annually designed for new organizational target groups	information and guidance via Quick Response (QR) codes embedded in the material. Various publications, including guidance for the legal community and small businesses were distributed at industry events. A video to be launched in 2012-13 was produced to help public servants develop privacy impact assessments.
		Two public events/speaking engagements addressing needs of organizational target groups	Of the **41 news releases distributed**, several provided information of interest to organizations, both in the public and private sectors, including guidance relating to online behavioural advertising, new tools to help small businesses protect personal information and announcements relating to annual reports under both federal privacy laws. **Public education initiatives** directed to specific organizational audiences included, for example, tips for HR professionals on protecting privacy and a factsheet on accessing personal information. In the week leading up to Data Privacy Day 2012, the Office organized **a variety of activities** focused on the importance of limiting the amount of personal information shared online, with a theme of "Less is more". OPC officials delivered **139 speeches and presentations** in Canada and abroad. Audiences ranged from privacy lawyers to international privacy officials, students and scholars, technology and marketing practitioners, human rights and security specialists.

Performance Summary and Analysis of Program Activity 3

In 2011–12, the OPC enhanced service to Canadians by focusing on improving service to the public, and by working to promote greater awareness among individuals on how to protect their privacy and among organizations on how to meet their responsibilities under privacy law.

To enhance service to the public, the OPC Information Centre was integrated into the Communications Branch. The Centre's telephone system was upgraded, service standards were implemented, and responses to standard questions prepared, all to support more timely responses to enquiries. The Centre now systematically feeds performance data into the OPC's monthly reports and provides strategic information to the Office on the emerging needs of Canadians. The OPC website was also revamped to simplify access to information resources for the public.

The OPC's outreach efforts continued to target young Canadians in 2011–12 through a multi-pronged effort to inform them, along with educators and parents, about privacy protection, focusing on emerging challenges tied to online privacy risks. After establishing a youth advisory board in Toronto, the OPC broadened its consultation to conduct an online focus group on a variety of privacy issues.

The Office also made efforts to engage with government, industry associations and businesses including small and medium-sized enterprises to increase the understanding of their privacy responsibilities. This effort included a number of information sessions that provided members of the privacy community and key stakeholders with more opportunities to interact with OPC specialists.

In addition, the Office released some important new tools to help organizations and individuals gain greater understanding of key privacy issues. These included an online guidance tool for private sector organizations, prepared in conjunction with provincial counterparts from Alberta and British Columbia, on the principle of accountability designed to help businesses better safeguard the personal information of customers and employees (http://www.priv.gc.ca/information/guide/2012/gl_acc_201204_e.asp). During Small Business Week, the Office released a series of articles aimed at informing small businesses on steps to take to improve cyber security. The OPC developed and distributed a guidance document: *PIPEDA and Your Practice — A Privacy Handbook for Lawyers* (http://www.priv.gc.ca/information/pub/gd_phl_201106_e.asp). The new handbook explains how PIPEDA relates to the everyday practice of Canadian lawyers in the private sector.

In the end, results from the Office's 2011 poll of individuals showed a stable level of privacy awareness, perhaps with a small decline in individuals' understanding of the privacy threats posed by new technologies. The OPC continues to focus communications efforts on helping individuals understand the privacy implications of new technologies. The 2012 survey of businesses also indicated a stable level of awareness about privacy obligations.

Lessons Learned

Over the past number of years, the Office has developed a considerable array of tools to promote awareness and provide guidance on privacy protection and responsibilities. Moving forward, the OPC will further promote its tools and resources to help organizations and government better understand their responsibilities and individuals their rights under Canada's federal privacy laws.

Program Activity 4: Internal Services

Activity Description

Internal Services are groups of related activities and resources that are administered to support the Office's programs and other corporate obligations. As a small entity, the OPC's internal services include two sub-activities: governance and management support, and resource management services (which also incorporate asset management services). Given the specific mandate of the OPC, communications services are not included in Internal Services but rather form part of Program Activity 3 – Public Outreach. Similarly, legal services are excluded from Internal Services at OPC, given the legislated requirement to pursue court action under the two federal privacy laws, as appropriate. Hence legal services form part of Program Activity 1 – Compliance Activities and Program Activity 2 – Research and Policy Development.

2011–12 Financial Resources ($000)

Planned Spending	Total Authorities	Actual Spending
5,086	6,988	7,655

The actual spending includes reallocations between activities to better reflect Program activity spending.

2011–12 Human Resources (FTEs)

Planned	Actual	Difference
46	47	1

Program Activity Performance Summary

Expected Results	Performance Indicators	Targets	Actual Results
The OPC achieves a standard of organizational excellence, and managers and staff apply sound business management practices.	Ratings against the Management Accountability Framework (MAF)[9]	Strong or acceptable rating on **70 percent** of MAF areas of management	As an agent of Parliament, the OPC is not subject to a MAF assessment by Treasury Board Secretariat (TBS). Nonetheless, the Office conducts a comprehensive self-assessment exercise against the MAF biennially, and a status update on improvements in the intervening years. The OPC uses this exercise as a report card on its 'state of management'. This practice started in 2006-07. In September 2010, the OPC completed its third comprehensive self-assessment, which indicated that **72 percent** of the MAF areas of management rated strong or acceptable, meaning they exceeded or met TBS expectations. The 13 of 18 areas where OPC's management practices met or exceed expectations were: • Public Service values; • Utility of corporate performance framework; • Effectiveness of corporate management structure; • Quality and use of evaluation; • Quality of performance reporting; • Effectiveness of corporate risk management; • Excellence in people management; • Effectiveness of internal audit function; • Effectiveness of it management; • Effectiveness of procurement; • Effectiveness of financial management control; • Quality of TB submissions; and • Citizen-focused services. For the five areas of management rated below expectations in 2010–11, steps were taken in 2011–12 to strengthen them and, for some areas, more work is still underway. • The management of assets was reinforced with tighter procurement controls, a comprehensive inventory exercise, and an accommodation plan including space requirements for the upcoming Office move. • The OPC is working to develop its investment plan based on further guidance received from TBS. • The OPC rolled out its change management strategy and tools, and managers will start applying the new change management principles in 2012–13.

[9] The Management Accountability Framework (MAF) is a key performance management tool that the federal government uses to: support the management accountability of deputy heads, and improve management practices across departments and agencies.

Expected Results	Performance Indicators	Targets	Actual Results
			• Many recommendations from the two internal audits on "utilizing information for management decision-making" and on "responding to enquiries" (reports dated March 2011) have been implemented and work will continue in 2012–13, including the development and implementation of trend reporting tools and the further specification of information requirements to reflect recent business process redesigns. • The business continuity plan was tested in March 2012.

Performance Summary and Analysis of Program Activity 4

During 2011–12, the OPC took some steps to improve on the five areas of management rated below the MAF expectations in the 2010–11 comprehensive MAF self-assessment. More work continues to further improve the areas of change management, information management and investment planning.

The Office implemented a comprehensive talent management program, developed in 2010–11. It is composed of activities to support recruitment, training, performance evaluation, retention, succession planning and the development of competencies. The program also enhanced employee skills through mentoring and coaching opportunities.

The OPC is undergoing important structural and process changes to continually improve organizational effectiveness. In 2011–12, the Office developed and promulgated to staff a change management strategy and accompanying tools. Implementation of the strategy will be complete once a uniform approach is applied to each OPC initiative that involves significant change. All units have identified, in their 2012–13 business plan, a concrete project to which they will apply the new change management approach. An internal communications strategy for the OPC was developed in 2011–12 and a manager was hired.

The OPC is in the process of replacing RDIMS (Records, Document and Information Management System) with a new Electronic Document and Records Management System (EDRMS) that combines SharePoint 2010 technology with a multi-faceted classification system and record management software. A video conferencing solution was implemented and all employees were trained to use it. The goal of these initiatives is to enhance knowledge management throughout the Office by building tools and support systems that enable effective transfer of knowledge. This work supports the implementation of the 2011-2014 Information Management/Information Technology Strategy. All recommendations from the 2009 Information Management Audit Report have now been implemented.

Through the formation of issue-specific teams, the Office was able to draw from across the organization and capitalize on the experience and skills that exist within the OPC to address emerging threats to privacy rights. For example, regularly scheduled triage meetings were held with representatives from across the OPC to discuss selected complaints received, including complaints related to the four priority issues, and, where needed, a cross-functional team was formed to pursue the investigation. A small working group composed of policy analysts, researchers and technologists jointly developed the policy position on online behavioural advertising, which formed the basis of the guidelines published on the subject.

A forum of *Privacy Act* investigators was created – an informal discussion group where investigators may share experiences and challenges to broaden the exchange of knowledge among staff to foster a more holistic understanding of privacy issues. An internal speaker series was initiated to invite key thinkers and practitioners on privacy, both within and outside of the OPC, to share their insights and knowledge, thereby also promoting cross-branch reflection and discussion on emerging areas across the Office. Discussions with external experts were made available to staff through teleconference presentations to

promote learning and integration. Investigators were offered the opportunity to participate in OPC-wide working groups to encourage active employee involvement in projects.

In January 2012, the OPC collaborated with the other Agents of Parliament in organizing a workshop for legal and policy staff to discuss accountability and independence issues, and to share best practices among organizations.

The OPC continued to build and populate knowledge-sharing tools on existing IT infrastructure, thereby providing OPC staff with the latest developments in privacy research and insight. For example, two key knowledge sharing portals were created: a directory of internal case summaries of investigations and a directory of internal PIPEDA tools (templates, terms of reference, guides and procedures).

Lessons Learned

Two important human resources management initiatives were developed and communicated to OPC staff in 2011–12: the talent management program and the change management strategy. To ensure these initiatives are put into practice and adopted by managers and staff to realize their benefits, related hands-on training and support is planned for fiscal year 2012–13.

The OPC participated in the Public Service Employee Survey 2011, with a response rate of 72 percent (same as the Public Service as a whole), an improvement from the 2008 survey that had a 68 percent response rate. The results of the survey are being reviewed and, early in 2012–13, action plans will be developed both to address opportunities for improvement and to identify ways to build on successes.

Section III: Supplementary Information

This section presents the financial highlights for 2011–12 and a supplementary information table.

Financial Highlights

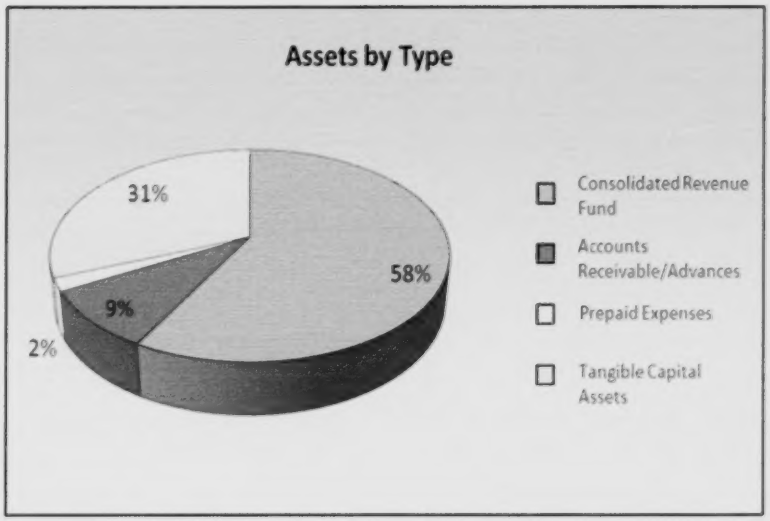
Condensed Statement of Financial Position
For the period ending March 31, 2012
($000)

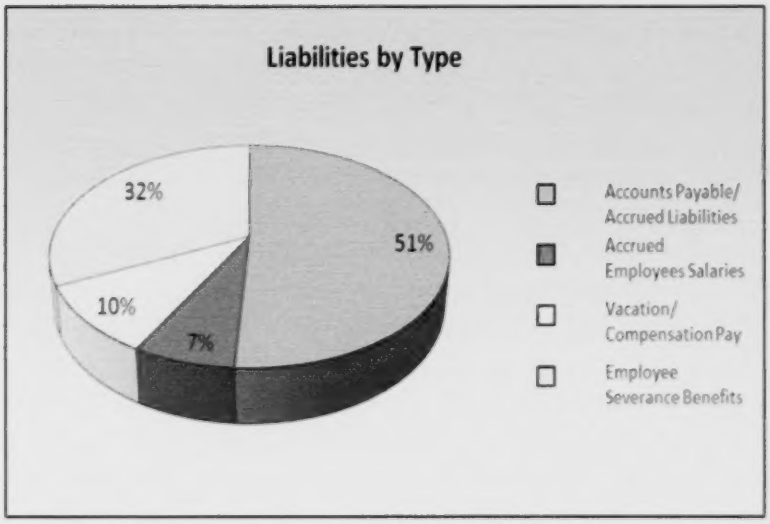
	Change %	2011–12	2010–11
Total liabilities	(21%)	5,386	6,835
Total financial assets	(17%)	2,998	3,623
Net debt	**(25%)**	**2,388**	**3,212**
Total non-financial assets	(17%)	1,485	1,798
Net financial position	**36%**	**(903)**	**(1,414)**

Condensed Statement of Operations and Net Financial Position
For the Year Ended March 31, 2012
($000)

	Change %	2011-12	2010-11
Total expenses	**15%**	**28,423**	**24,812**
Cost of Operations before government funding	**15%**	**28,423**	**24,812**
Net financial position	**36%**	**(903)**	**(1,414)**

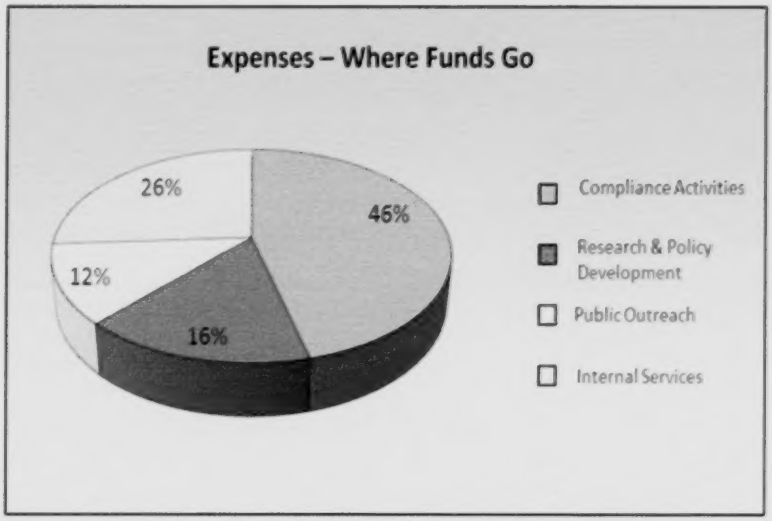
Total assets were $4,483M at the end of 2011–12, a decrease of $0.938M (17 percent) over the previous year's total assets of $5.421M. Of the total assets, $1.402M (31 percent) represented Tangible Capital Assets. The Consolidated Revenue Fund totaled $2,594M (58 percent), while Accounts Receivable and Advances made up nine percent and Prepaid Expenses, two percent of total assets.





Total liabilities were $5,386M at the end of 2011–12, a decrease of $1,449 (21 percent) over the previous year's total liabilities of $6.835M. Accounts Payable/Accrued Liabilities represented the largest portion of the total liabilities, at $2.721M, or 51 percent. Employee Severance Benefits represented a smaller portion of liabilities, at $1.738M, or 32 percent of the total. Vacation pay and compensatory pay and accrued employee salaries accounted for 10 percent and seven percent of total liabilities, respectively.

Total expenses for the OPC were $28,423M in 2011–12.The largest share of the funds, $13.142M, or 46 percent, was spent on compliance activities, while research and policy development represented $4.417M, or 16 percent, of total expenses. Public outreach efforts represented $3.355M of the expenditures, or 12 percent of the total. Internal Services accounted for the remainder of the expenditures, at $7.509M or 26 percent of the total. (Note that expenses by program activity might differ from those identified in the Public Accounts of Canada due to the methodology used to prorate the allocation in the financial statements as well as the inclusion of related party transactions.)



Audited Financial Statements

Information on OPC's audited financial statements can be found on its website at:
http://www.priv.gc.ca/information/02_05_e_e.asp#oag

List of Supplementary Information Tables

The OPC has a single supplementary information table: **Internal Audits and Evaluations**.

The electronic version of this supplementary information table is available on the OPC's website at:
http://www.priv.gc.ca/information/dpr-rmr/2011-2012/st-ts01_e.asp

Approved internal audit and evaluation reports are available on the OPC's website at:
http://www.priv.gc.ca/information/02_05_e_e.asp#ia

Section IV: Other Items of Interest

Organization Contact Information

More information about the OPC, such as statutory annual reports and other publications, may be found on the OPC Website or by contacting the Office toll-free at 1-800-282-1376.